

# MEMO

**DATE:** December 1, 2005

**TO:** Administration Committee

**FROM:** Debbie Dillon, Human Resources Manager, 213.236.1870, [dillon@scag.ca.gov](mailto:dillon@scag.ca.gov)

**SUBJECT:** Deferred Compensation Plan Status Report

This report responds to a question from a Regional Council member about the status of the Deferred Compensation Plan and Regional Council member fiduciary responsibility pertaining to the Plan. Status reports will be provided semi-annually in the future and a review of the plan will be incorporated into the Internal Auditor's work plan for 2006/2007.

## **BACKGROUND:**

SCAG currently offers two retirement plans to staff. The CalPERS Defined Benefit Plan and a 457 Deferred Compensation Plan (Plan). Two vendors provide administrative services and various investment options for the Plan. The two vendors are:

- **ICMA-Retirement Corporation (ICMA-RC)**
- **CitiStreet**

Both vendors have been in place for a number of years dating back to the mid-1980's. Plan representatives are invited to provide individual meetings on-site on a quarterly basis as well as participate in the annual open enrollment benefits fair.

SCAG staff is the RFP development phase to bid these services during the 2005/2006 fiscal year. This is intended to ensure that employees are getting access to competitive investments and are offered a choice of investment vehicles.

## **457 PLAN PROFILE:**

Data as of June 30, 2005

PROFILE	CITISTREET	ICMA-RC
# of mutual fund investment choices	120	46
Fees	varies	varies
# of Active Participants	25	64
# of Inactive Participants	10	65
Total plan assets as of 3/31/05	\$620,121	\$6,644,896
Total plan assets as of 6/30/05	\$656,077	\$6,728,070

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**FIDUCIARY RESPONSIBILITY:**

The question of fiduciary responsibility of regional council members was evaluated by outside counsel, Fulbright & Jaworski. A report discussing the matter will be given at the Committee meeting.